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May 30, 2013

Teton County Planning and Zoning Commission
150 Courthouse Drive, Room 208
Driggs, ID 83422

Re: *Application for River Rim Ranch PUD Division II to amend the Master Plan and
Phase 1 Plat*

Dear Commissioners:

At the conclusion of the meeting held on May 14, 2013, (the "P&Z Meeting") the Teton County Planning and Zoning Commissioners (the "Commission") requested that Big Sky Western Bank (the "Applicant") address several issues prior to the next Planning and Zoning meeting scheduled for June 11, 2013.

One of the issues was concerns expressed by some of the Division I property owners regarding the impact that the proposed amendments to Division II may have on them. The property owners that have raised concerns constitute a minority of the Division I owners and even a smaller minority of River Rim Ranch property owners. Nevertheless, the Commission requested that the Applicant come to an agreement with this minority of property owners and explain at the next meeting how their concerns will be addressed.

At this stage of the development, however, the Division I property owners' consent to the proposed amendments is not legally required under the Fourth Amendment to the Master Declaration of Covenants, Conditions and Restrictions recorded on September 29, 2010, as Teton County, Idaho Recorder's Instrument No. 213464 (the "CC&Rs"). Specifically, Article VIII Section 8.3 of the CC&Rs provides that:

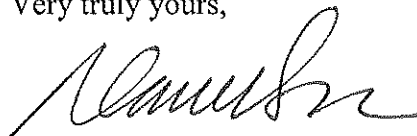
Notwithstanding the foregoing, during the first five (5) years following the recordation of this Master Declaration or until seventy-five percent (75%) of the lots which are the subject of this Master Declaration are sold, whichever comes first, this Master Declaration of Covenants, Conditions and Restrictions may be modified, amended and changed by the Declarant without the need or necessity of the consent of the then owners of the real property which is the subject of this Declaration. This provision shall apply both to the Master Declaration of Covenants, Conditions and Restrictions and to the Master Design Guideline...(emphasis added)

Even though their consent is not required, the Applicant takes this minority of Division I property owners' concerns seriously and has and will continue to work with them to attempt to find reasonable solutions to their concerns. Prior to the P&Z Meeting the Applicant provided notice of the proposed amendments to all property owners in Division I and II and in fact invited all property owners to a meeting where they could voice their position. Since the P&Z Meeting, Applicant has conducted another conference call with these property owners and will continue to communicate with them in an attempt to accommodate their reasonable concerns. At this point, there appears to be a conflict between the legal rights the Applicant has under the CC&Rs and the political voice of a small group of property owners. As with any group of people and irrespective of the efforts made to resolve the issues, it is unlikely that all of the property owners will be satisfied. The declarant's rights provision in the CC&Rs is to prevent the situation where a minority of property owners attempt to exert control over the declarant.

As stated above, the Applicant will continue its efforts to resolve the property owner's concerns, however, since seventy-five percent of the lots have not been sold, nor has the five year time period expired, the property owners' consent to the Applicant's requested amendments is not legally required and therefore should not be imposed as a condition for the Commission's approval of the Application.

Should you have any questions or need further clarification, please contact the undersigned.

Very truly yours,



DANIEL C. GREEN

DCG: dcd

c. Kathy Spitzer, Angie Rutherford, Don Chery, Mike Potter, Bob Ablondi